

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:

Conception Junction Post Office
Conception Junction, Missouri 64434

Docket No. A2012-5

UNITED STATES POSTAL SERVICE
COMMENTS REGARDING APPEAL
(November 29, 2011)

On October 5, 2011, the Postal Regulatory Commission (Commission) received correspondence from postal customer Richard L. Holtman objecting to the discontinuance of the Post Office at Conception Junction, Missouri, along with an enclosed petitioner signed by 85 customers of the Conception Junction Post Office. On October 7, 2011, the Commission issued Order No. 901, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). In accordance with Order No. 901, the administrative record was filed with the Commission on October 20, 2011. On November 7, 2011 and November 9, 2011, Petitioner Richard Holtman filed his Participant Statements, Forms 61, in support of the petition.

The appeals and the Participant Statements received by the Commission raise three issues: (1) the impact upon the provision of postal services, (2) the impact on the Conception Junction community expected to result from discontinuing the Conception Junction Post Office, and (3) economic savings. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. In addition, consistent with the Postal Service's statutory obligations and Commission

precedent,¹ the Postal Service gave consideration to a number of other issues, including the impact upon postal employees. Accordingly, the determination to discontinue the Conception Junction Post Office should be affirmed.

Background

The Final Determination To Close the Conception Junction, MO Post Office and Establish Service by Rural Route Service (FD), as well as the administrative record, indicate that the Conception Junction Post Office provides EAS-11 level service to 46 Post Office Box customers, 150 delivery customers, and retail customers 36.83 hours per week. FD at 2; Item No. 18, (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet ("Fact Sheet"), at 1; Item No. 33, Proposal Exhibit, at 2.² The Postmaster of the Conception Junction Post Office was promoted on May 8, 2010. Since the postmaster vacancy arose, an officer-in-charge (OIC) has been installed to operate the office. The noncareer postmaster relief may be separated from the Postal Service; however, no other employee will be adversely affected.³ The average number of daily retail window transactions at the Conception Junction Post Office is 9. Revenue has generally been low and declining: \$24,339.00 in FY 2008 (63 revenue units); \$21,881.00 in FY 2009 (57 revenue units); and \$17,054.00 (44 revenue units) in FY 2010.⁴ The Conception Junction Post Office has no permit or postage meter customers. FD at 2; Item No. 15, Post Office Survey Sheet, at 1; Item No. 33, Proposal, at 2.

¹ See 39 U.S.C. 404(d)(2)(A).

² In these comments, specific items in the administrative record are referred to as "Item ____."

³ FD, at 2, 8; Item No. 33, Proposal to Close the Conception Junction, MO Post Office and Establish Service by Rural Route Service ("Proposal"), at 2, 8.

⁴ FD, at 2; Item No. 18, Post Office Closing or Consolidation Proposal, at 1; Item No. 33, Proposal, at 2.

Upon implementation of the final determination, delivery and retail services will be provided by rural route delivery administered by the Stanberry Post Office, an EAS-16 level office located ten miles away, which has 51 available Post Office Boxes. FD at 2, 9; Item No. 18, Post Office Closing or Consolidation Proposal, at 1; Item No. 21, Letter to Postal Customer from Manager, Post Office Operations (“Letter to Customer”), at 1; Item No. 33, Proposal, at 2, 8. This service will continue upon implementation of the FD. FD at 2.

The Postal Service followed the proper procedures which led to the posting of the FD.⁵ All issues raised by the customers of the Conception Junction Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements.⁶ In addition to the posting of the Proposal and FD,

⁵ In his Participant Statement, the Petitioner asserts that the decision to close the Conception Junction Post Office should be reversed solely based on the fact that the Post Office prematurely sent a letter to P.O. Box customers at Conception Junction Post Office announcing a November 5 closure date, and informing them of a need to erect a mailbox or obtain a P.O. Box at another Post Office location; the letter was dated October 6. The Final Determination was taken down on October 3, 2011, and Petitioner Holtman’s letter of appeal was formally accepted by the PRC on October 6, 2011 (though it was postmarked September 29, 2011, according to a Notice of Erratum filed by the PRC). Upon receiving news of the appeal, the OIC of Conception Junction Post Office undertook to post the following notice on October 17, 2011:

The November 5 closure date is no longer in effect.
This office has received notice that an appeal was filed against the closing of this office.
Therefore, this office can not close until the appeal process has been completed.
Sorry for the confusion that this has caused. If you would like to stay updated on the process,
please see the postings on the bulletin board in the lobby.
Thank you.

The Postal Service does not believe any procedural error arose here. Rather, this is a consequence of the fact that appeals may be timely received by the Commission after the 30-day final determination posting period has elapsed.

⁶ The Petitioner asserts that the Postal Service did not provide a complete record for customer viewing during the Final Determination posting. Due to an error, the complete administrative record was not available for public inspection at the time the Final Determination was originally posted on August 8, 2011. However, this was later remedied. The Final Determination was re-stamped and re-posted at all four affected Post Offices (Conception Junction Post Office, Conception Post Office, Stanberry Post

customers received notice through other means. Questionnaires were distributed to delivery customers of the Conception Junction Post Office. Questionnaires were also available over the counter for retail customers at Conception Junction. FD at 2; Item No. 23, Postal Service Customer Questionnaire Analysis at 1. A letter from the Manager of Post Office Operations, Kansas City, Missouri was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Conception Junction Post Office was warranted, and that effective and regular service could be provided through rural route delivery and retail services available at the Stanberry Post Office. Item No. 21, Letter to Customer, at 1. The letter then invited customers to complete and return a customer questionnaire and to express their opinions about the service they were receiving and the effects of a possible change involving rural route delivery. Id. The returned customer questionnaires and Postal Service response letters appear in the administrative record in Item No. 22. 55 Questionnaires were returned among the 212 that were distributed; of those, 6 questionnaires were in favor of the closure of the Conception Junction Post Office, 41 expressed no opinion, and 8 were unfavorable. Item No. 23, Postal Service

Office, and Clyde Post Office) to allow for the mandatory 30-day posting period; the Final Determination was round-date stamped again on September 1, 2011 through October 3, 2011. During this period, all four affected facilities were supplied with an electronic packet of the complete administrative record for the Conception Junction Post Office, including all returned questionnaires. Instructions were provided to print and provide a copy of the administrative record to customers who were interested in reviewing the record. The staff was advised to print a copy in response to requests from the public for a copy. Because electronic files were supplied to each Post Office, any illegible copies could have been reprinted and provided had the request been made to responsible persons at those offices. The Postal Service regrets any confusion the reposting of the Final Determination may have caused; however the agency does not believe any procedural error arose as the administrative record was available to the public for public inspection during normal business hours at the affected Post Offices during the mandatory 30-day public notice period.

Customer Questionnaire Analysis at 1. In addition, representatives from the Postal Service were available at St. Columbia Church Hall located at 311 Roosevelt Street for a community meeting on April 14, 2011 to answer questions and provide information to customers. FD at 2; Item No. 21a, Letter to Customer, at 1; Item No. 24, Community Meeting Roster; Item No. 33, Proposal, at 2. Customers received formal notice of the Proposal and FD through postings at nearby facilities. The Proposal was posted with an invitation for public comment at the Conception Junction Post Office, Conception Post Office, Clyde Post Office, and the Stanberry Post Office from May 17, 2011 to July 18, 2011, as confirmed by the round-dared Proposal cover sheets that appear in the administrative record. FD, at 2; Item No. 32, Invitation for Comments on the Proposal to Close the Conception Junction, MO Post Office and Establish Service by Rural Route, at 1. The FD was posted at the same four Post Offices from September 1, 2011 to October 3, 2011.

In light of a postmaster vacancy; minimal workload; low office revenue;⁷ the variety of delivery and retail options (including the convenience of rural delivery and retail service);⁸ limited expected population, residential, commercial or business growth in the area;⁹ minimal impact upon the community; and the expected financial savings,¹⁰ the Postal Service issued the FD.¹¹ Regular and effective postal services will continue to be provided to the Conception Junction community in an effective manner upon implementation of the final determination. FD at 2, 8.

⁷ See note 4 and accompanying text.

⁸ FD, at 2, 9; Item No. 33, Proposal, at 2, 8.

⁹ FD, at 2, 3, 4, 5, 6, 9; Item No. 16, Community Survey Sheet; Item No. 33, Proposal, at 2, 3-4, 6, 8.

¹⁰ FD, at 9; Item No. 17, Highway Contract Route Cost Analysis Form; Item No. 33, Proposal, at 8.

¹¹ FD, at 6-8.

Each of the issues raised by the Petitioners is addressed in the paragraphs which follow.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Conception Junction Post Office on postal services provided to Conception Junction customers. The closing is premised upon providing regular and effective postal services to Conception Junction customers.

In his correspondence, the Petitioner raises the issue of the effect on postal services of the Conception Junction Post Office's closing, noting the convenience of the Conception Junction Post Office and requesting its retention. The Petitioner expresses particular concern about potential hardship on the elderly and disabled citizens of the community as well as anticipated vandalism and mail security issues if mail is delivered to rural lock boxes. Furthermore, the Petitioner fears that there will be a delay in the delivery of The Maryville Daily Forum newspaper if mail is re-routed to the Stanberry Post Office. Each of these concerns was considered by the Postal Service.

The Postal Service has considered the impact of closing the Conception Junction Post Office upon the provision of postal services to Conception Junction customers. FD at 2-9; Item No. 33, Proposal, at 2-8. As explained throughout the administrative record, carriers can perform many functions that will alleviate the need to travel to the Post Office. Rural route delivery to customers provides similar access to retail service, thereby stemming the need to travel to the Post Office. FD at 2, 3-5, 6, 9; Item No. 33,

Proposal, at 2, 3-4, 5, 6, 8. In fact, most transactions do not require meeting the carrier at the mailbox. The rural carrier provides many of the services that are available at the Post Office. FD at 3-4, 5, 6, 9. Also, carrier pickup is available. Carrier pickup allows for scheduling the retrieval of packages at the same time as the carrier delivers the mail. Id. Carrier service is especially beneficial to many senior citizens and those who face special challenges because the carrier can provide delivery and retail services to roadside mailboxes or, when offered, cluster box units. The Petitioner asserts that the elderly and infirm will be greatly affected by the closure of the Conception Junction Post Office; however, it is important to note that the rural carrier will be able to assist postal customers in a similar capacity to the current OIC, and can provide assistance and information regarding bill-paying and money orders.

Additionally, the Postal Service explained that it offers several convenient options which can save customers a trip to the Post Office and having to coordinate with a carrier. FD at 3-4, 5, 6; Item No. 33, Proposal, at 3-4, 6, 8. If internet access is unavailable, stamps can be purchased by phone via a toll-free number, or by mail. FD at 3, 6; Item No. 33, Proposal, at 3, 6. Additionally, customers can place their mail on hold, file a change of address order, and obtain other special services by calling a toll free number or visiting the Postal Service's website. FD at 3-4, 6; Item No. 33, Proposal, at 3-4, 6. Furthermore, if internet access is available, customers can purchase stamps online through the Postal Service's website at www.USPS.com and print shipping labels with postage for Express Mail and Priority Mail using the Postal Service's Click-N-Ship service available at www.USPS.com.

The Petitioner expressed a concern about vandalism and the security of mail. Local officials solicited information regarding this matter, and the agency found only two reports of mail theft or vandalism in the area. Item No. 14, Inspection Service/local law enforcement vandalism reports, at 1. Additionally, customers may place a lock on their mailboxes as long as the mailbox has a slot large enough to accommodate the customer's normal daily mail volume. FD at 4. Furthermore, customers opting for carrier service will have 24-hour access to their mail and will not have to pay post office box fees. FD at 6. Customers are also welcome to conduct postal business at the Stanberry Post Office or any other convenient Post Office location should they decide this option better suit their needs.

Upon the implementation of the final determination, delivery and retail services will be provided by rural route delivery emanating from the Stanberry Post Office, which is located 10 miles away. FD at 2, 9. In addition to rural delivery, which is the recommended alternate service, customers may also receive postal services at the Stanberry Post Office, or the Conception Post Office which is located only 2 miles away. The window service hours of the Stanberry Post Office are from 8:00 a.m. to 11:00 a.m. and 12:00 pm to 4:30 p.m. Monday through Friday, and 8:00 a.m. to 10:30 a.m. on Saturday. FD, at 2. The window service hours of the Conception Post Office are from 8:00 a.m. to 12:00 p.m. and 1:00 pm to 4:00 p.m. Monday through Friday, and 8:00 a.m. to 10:00 a.m. on Saturday. FD, at 2. Furthermore, special attention and assistance provided by the personnel at the Conception Junction Post Office will be provided by personnel at the Stanberry Post Office, the Conception Post Office, and the carrier.

Thus, the Postal Service has properly concluded that all Conception Junction customers will continue to receive regular and effective service via rural route delivery.

The Petitioner expressed a concern that changing the rural route service from Conception Junction to Stanberry would result in a one-day delay for customers receiving the Maryville Daily Forum newspaper. While this matter was not addressed in the record, the field coordinator has confirmed that the closure of the Conception Junction Post Office would not cause a delay in delivery of the mail. Furthermore, the field coordinator has verified that potential mail processing issues can be resolved internally if a problem with delivery does arise. Thus, there is no basis to conclude that newspaper delivery will be delayed on a permanent basis.

Effect Upon the Conception Junction Community

The Postal Service is obligated to consider the effect of its decision to close the Conception Junction Post Office upon the Conception Junction community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

Conception Junction is an incorporated rural community located in Nodaway County. The Nodaway County Sheriff's Department provides police protection. The community is administered politically by the city of Conception Junction, with fire protection provided by the Tri-C Volunteer Fire Department. FD, at 6; Item No. 33, Proposal at 6. The questionnaires completed by Conception Junction customers

indicate that the retirees, farmers, commuters, and others who reside in Conception Junction travel to nearby communities for other supplies and services. See generally FD at 6; Item No. 22, Returned Customer Questionnaires and Postal Service Response Letters.

The Petitioner raises the issue of the effect of the closing of the Conception Junction Post Office upon the Conception Junction community. This issue was extensively considered by the Postal Service, as reflected in the administrative record. FD, at 2, 3, 6-8, 9; Item No. 33, Proposal, at 2, 3, 6-8. The Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name. Although customers will be assigned a mailing address compatible with emergency phone call access, the Postal Service is helping to preserve community identity by continuing the use of the community name and ZIP Code in addresses and in the National Five-Digit ZIP Code and Post Office Directory. FD at 3, 6-7; Item No. 33, Proposal, at 3, 6-7. Communities generally require regular and effective postal services and these will continue to be provided to the Conception Junction community. The Petitioner raises a concern that the Conception Junction Post Office supports a number of local businesses. Businesses also generally require regular and effective postal services, and these will always be provided to the Conception Junction community. Indeed, there is no indication that the business community will be adversely affected, and questionnaire responses revealed that customers will continue to use local businesses if the Conception Junction Post Office is discontinued. FD at 8. Furthermore, carrier service is expected to be able to handle any future growth in the

community. FD, at 2, 7, 9; Item No. 33, Proposal, at 2, 8. Residents may continue to meet informally, socialize, and share information at the other establishments in town.

The Petitioner asserts that the community will also suffer from lack of funds for the all-volunteer fire department as the Conception Junction Post Office is currently located in the same building. Despite the fact that the Tri-C Fire Department may have made special accommodations to house the Post Office, there is nothing in the record to indicate that the same facilities cannot be used for other purposes. Revenue can be maintained by securing another tenant from within or outside of the local community. FD at 7.

In addition, the Postal Service has concluded that nonpostal services provided by the Conception Junction Post Office can be provided by the Stanberry Post Office. Government forms usually provided by the Post Office are also available by contacting local government agencies. FD at 6; Item No. 33, Proposal, at 6. Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Conception Junction Post Office on the community served by the Conception Junction Post Office.

Economic Savings

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that rural route carrier service would cost the Postal Service substantially less than maintaining the Conception Junction Post Office and would still provide regular and effective service. Item No. 21a, Letter to Customer, at 1. The

estimated annual savings associated with discontinuing the Conception Junction Post Office are \$66,295.00. FD at 8; Item No. 33, Proposal, at 8.

The Petitioner questions the consistency of this proposal with statutory authority in Title 39. Here, however, a variety of factors inform the decision to discontinue the Conception Junction Post Office, including a postmaster vacancy, minimal workload, declining office revenue,¹² the variety of delivery and retail options (including the convenience of rural delivery and retail service),¹³ limited expected population, residential, commercial or business growth in the area,¹⁴ minimal impact upon the community, and the expected financial savings.¹⁵ Pursuant to 39 U.S.C. § 404(d)(2)(A)(iii), in determining whether to close a post office, the Postal Service must consider whether such closing is consistent with the policy that the Postal Service provide “a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining.” In this case, the Postal Service analyzed, among other factors, the Conception Junction Post Office’s workload and revenue. The consideration of an office’s workload and revenue is not inconsistent with the policies of Title 39, however, because analysis of workload and revenue does not imply that a small Post Office is operating at a deficit. The Postal Service then analyzed whether a maximum degree of effective and regular postal services to the area and community could be provided with rural delivery service in the absence of the Post Office, and the answer was affirmative.

¹² See note 4 and accompanying text.

¹³ FD, at 2, 9; Item No. 33, Proposal, at 2, 8.

¹⁴ FD, at 2, 3, 4, 5, 6, 9; Item No. 16, Community Survey Sheet; Item No. 33, Proposal, at 2, 3-4, 6, 8.

¹⁵ FD, at 9; Item No. 17, Highway Contract Route Cost Analysis Form; Item No. 33, Proposal, at 8.

Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record, consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv). FD, at 8; Item No. 33, Proposal, at 8. The Postal Service determined that carrier service is more effective than maintaining the Conception Junction postal facility and postmaster position. FD, at 9. The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Effect on Employees

As documented in the record, the impact on postal employees is minimal. The postmaster position became vacant when the postmaster was promoted on May 8, 2010. Upon implementation of the final determination, the noncareer postmaster relief (PMR) may be separated from the Postal Service; however the record shows that no other employee would be affected by this closing. FD, at 2, 8; Item No. 15, Post Office Survey Sheet, at 1; Item No. 33, Proposal, at 2, 8. Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Conception Junction Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Conception Junction Post Office on the provision of postal services and on the Conception Junction community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Conception Junction customers. FD, at 9. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). The Postal Service's decision to close the Conception Junction Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Conception Junction Post Office be affirmed.

Respectfully submitted,

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